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IN THE COURT OF APPEAL OF THE STATE OF CALIFORNIA

SECOND APPELLATE DISTRICT

DIVISION TWO

SHAHRAM MARC AZORDEGAN,

Plaintiff and Respondent,

v.

ALBERT AGADJANIAN,

Defendant and Appellant.

B237427

(Los Angeles County
Super. Ct. No. BC365798)

APPEAL from orders of the Superior Court of Los Angeles County. Ronald M. Sohigian, Judge. Affirmed and remanded.

Law Offices of Perry Roshan-Zamir and Perry Roshan-Zamir for Defendant and Appellant.

Der-Parseghian Law Group and Mary Der-Parseghian for Plaintiff and Respondent.

* * * * *

Defendant and appellant Albert Agadjanian appeals from the denial of two postjudgment motions seeking to compel acknowledgment of satisfaction of judgment. In connection with its denial of the motions, the trial court further ordered that plaintiff and respondent Shahram Marc Azordegan provide monthly partial satisfactions of judgment upon receipt and satisfaction of sums previously ordered to be paid.

We affirm. Substantial evidence supported the trial court's orders, as appellant offered no evidence to support his request for full satisfaction of judgment in the first motion; nor did he offer evidence to support the sum requested as partial satisfaction of judgment in the second motion. Nonetheless, appellant's interpretation of the trial court's orders is correct and we remand the matter for Azordegan's compliance with the existing orders.

FACTUAL AND PROCEDURAL BACKGROUND

Following a jury trial, judgment was entered on July 1, 2010 in favor of Azordegan's corporation 1 Source Global Tech, Inc. (One Source) and against appellant's corporation Carloops, Inc. in the amount of \$950,000, and in favor of Azordegan and against appellant in the amount of \$360,000.¹ The jury found that Carloops and appellant independently breached agreements related to the sale of a car wash business and three tenancies located on real property owned by appellant.

In November 2010, the trial court granted Azordegan's and One Source's motion for an assignment order and for an order restraining the judgment debtor. To the extent necessary to satisfy the \$360,000 judgment, they sought an order requiring appellant to assign to Azordegan his interest in rental income and payments on accounts receivable derived from the Property. At that time, appellant was receiving a monthly rental income of \$12,000 on the Property and monthly accounts receivable of \$10,272.70 pursuant to a promissory note executed by Azordegan on behalf of One Source. They also sought an

¹ The facts concerning One Source's and appellant's liability are set forth in a prior unpublished opinion affirming the judgment in this matter, *Shahram Marc Azordegan et al. v. Albert Agadjanian et al.*, case No. B226978 (filed May 2, 2012).

order preventing appellant from assigning or otherwise disposing of the right to rent and other payments, asserting that appellant's company, Carloops, had already made assignments to appellant in an effort to avoid payment on the \$950,000 judgment against it.

In a minute order granting the motion, the trial court determined that Azordegan had satisfied the statutory requirements entitling him to both an assignment order and an order restraining appellant from assigning or otherwise disposing of his right to payment. The notice of ruling prepared by Azordegan added the further order that "Judgment Creditor SHAHRAM MARC AZORDEGAN is hereby ordered to take all efforts to collect such assigned sums and provide partial satisfactions of Judgment every month no later than the 10th showing receipt and satisfaction of such sums."

Once in 2010 and throughout 2011, a number of partial satisfactions of judgment were filed. One Source filed partial satisfactions of judgment in favor of Carloops dated September 8, October 8, November 8 and December 10, 2010, and January 8, February 8, March 8, April 8, July 8, August 8 and September 8, 2011, each in the amount of \$10,272.70. In addition, Azordegan filed partial satisfactions of judgment in favor of appellant dated November 8 and December 8, 2010, and January 8, February 8, May 8 and June 8, 2011. The first four were in the amount of \$12,360 and the last two were in the amount of \$10,272.70.

In September 2011, appellant moved to compel Azordegan to acknowledge full satisfaction of judgment. He argued that since August 2010 Azordegan and One Source had failed to make any payments on a promissory note executed in connection with the car wash purchase and had failed to file partial satisfactions of judgment for every \$10,272.70 payment missed. Appellant further indicated that he had elected to accelerate the note, and sought an order for a full satisfaction of the \$367,001.71² against him, which he would then offset against the \$1,429,324.61 assertedly due on the promissory note. Following a September 27, 2011 hearing, the trial court denied the motion, but

² The figures \$367,001.71 and \$369,001.71 appear alternately in the record.

further ordered that by October 6, 2011 Azordegan file monthly partial satisfactions of judgment on the ground that it had mandated he do so in its prior order.

Thereafter, Azordegan filed an additional partial satisfaction of judgment in favor of appellant, dated November 22, 2010 in the amount of \$8,652. He also filed corrected partial satisfactions of judgment for May and June 2011 reflecting partial satisfaction of the obligation owing from Carloops to One Source.

In October 2011, appellant moved for an order compelling Azordegan to comply with the trial court's prior November 2010 and September 2011 orders requiring him to file partial satisfactions of judgment for each payment received pursuant to the assignment order. Appellant argued that the trial court's prior orders required that the partial satisfactions of judgment be filed in favor of appellant, personally, and not Carloops. He urged entry of a partial satisfaction of judgment in the total amount of \$131,924.40. At a November 3, 2011 hearing, the trial court denied the motion. It also reiterated its prior ruling that "Azordegan is ordered to file all the monthly partial Acknowledgment of Satisfaction of Judgment forms that he ought to have filed per the Court's November 1, 2010, and September 27, 2011 [orders] to account for the partial satisfaction of judgment."

Appellant appealed from both the September and November 2011 orders.³

DISCUSSION

Appellant maintains that the trial court erred in denying his motions seeking acknowledgment of satisfaction of judgment. While we find no merit to his challenge to the trial court's rulings, we agree with appellant that the trial court has ordered Azordegan to file partial satisfactions of judgment pertaining to the judgment entered against appellant individually.

³ This appeal has been stayed during the pendency of Azordegan's Chapter 7 bankruptcy, which has now been discharged.

I. Applicable Legal Principles.

Code of Civil Procedure section 724.110⁴ addresses the procedure for obtaining an acknowledgement of partial satisfaction of judgment. It provides in pertinent part that a judgment debtor may demand in writing from a judgment creditor the execution, acknowledgment and delivery of a partial satisfaction of judgment to the person who made the demand. “If the judgment creditor does not comply with the demand within the time allowed, the judgment debtor or the owner of the real or personal property subject to a judgment lien created under the judgment may apply to the court on noticed motion for an order requiring the judgment creditor to comply with the demand. The notice of motion shall be served on the judgment creditor. Service shall be made personally or by mail. If the court determines that the judgment has been partially satisfied and that the judgment creditor has not complied with the demand, the court shall make an order determining the amount of the partial satisfaction and may make an order requiring the judgment creditor to comply with the demand.” (§ 724.110, subd. (b).)

While section 724.110 permits a judgment debtor to apply to the court for an order requiring the judgment creditor to comply with the demand, the statute does not provide a sanction for failure to comply with the demand or for attorney fees to the prevailing party. (*Passanisi v. Merit-McBride Realtors, Inc.* (1987) 190 Cal.App.3d 1496, 1513, fn. 11; compare §§ 724.050, subd. (e) [imposing liability for damages and a fee on a judgment creditor who is found to have failed without cause to comply with a demand for acknowledgment of full satisfaction of judgment], 724.080 [award of attorney fees to prevailing party].)

“On appeal, we will uphold the factual findings supporting the trial court’s decision on a motion for satisfaction of judgment if the findings are supported by substantial evidence. [Citation.] We will presume the existence of every fact the finder of fact could reasonably deduce from the evidence in support of the judgment or order.

⁴ Unless otherwise indicated, all further statutory references are to the Code of Civil Procedure.

[Citation.] Moreover, the constitutional doctrine of reversible error requires that ‘[a] judgment or order of the lower court [be] presumed correct.’ [Citation.] Therefore, all intendments and presumptions must be indulged to support the judgment or order on matters as to which the record is silent, and error must be affirmatively shown. [Citation.] The appellant has the burden to demonstrate there is no substantial evidence to support the findings under attack. [Citation.]” (*Jhaveri v. Teitelbaum* (2009) 176 Cal.App.4th 740, 748–749.)

II. Substantial Evidence Supported the Denial of Appellant’s Motions Seeking Acknowledgment of Satisfaction of Judgment.

In November 2010, the trial court issued a two-part order granting in its entirety Azordegan’s motion for an assignment order and for an order restraining the judgment debtor.⁵ The trial court first ordered that all rental amounts and account receivable proceeds due to appellant—totaling \$22,272.20 per month—be assigned to Azordegan. (See § 708.510, subd. (a) [“upon application of the judgment creditor on noticed motion, the court may order the judgment debtor to assign to the judgment creditor . . . all or part of a right to payment due or to become due”].) Addressing the statutory requirements, the trial court ruled that “because the judgment was already entered, because the right to payment is assigned only to the extent necessary to satisfy Azordegan’s money judgment, because Agadjanian has no other judgments and wage assignments held against him personally, and because no order exists staying enforcement of the judgment, the Court grants [Azordegan’s] Motion for Assignment Order.”

Second, the trial court ruled that Azordegan had established his entitlement to an order under section 708.520 “restraining the judgment debtor from assigning or otherwise disposing of the right to payment that is sought to be assigned.” (§ 708.520, subd. (a).) Relying on evidence that appellant’s corporation Carloops had assigned to appellant its

⁵ The trial court issued its order while the first appeal was pending. During that time it retained “jurisdiction of proceedings related to the enforcement of the judgment” (§ 916, subd. (b).)

right to accounts receivable in an effort to avoid paying the \$950,000 judgment, the trial court ruled: “Even though Agadjanian and Carloops, Inc. are not the same entity, the risk that Agadjanian will make improper assignments like Carloops, Inc. is a sufficient showing of need for Azordegan’s motion. Agadjanian wholly owns and operates Carloops, Inc., so a good possibility exists that [he] acted knowingly in regard to Carloops, Inc.’s improper assignment. Therefore, the Court restrains Agadjanian from assigning or otherwise disposing of the right to payment.”

Though not contained in the trial court’s minute order granting the motion, the notice of ruling prepared by Azordegan added: “Judgment Creditor SHAHRAM MARC AZORDEGAN is hereby ordered to take all efforts to collect such assigned sums and provide partial satisfactions of Judgment every month no later than the 10th showing receipt and satisfaction of such sums.” While it is possible that the trial court verbally issued this additional order at the hearing, the record does not contain a reporter’s transcript of the November 1, 2010 proceedings. Appellant has the burden to assure the record on appeal is sufficient to resolve the issues raised. (*Maria P. v. Riles* (1987) 43 Cal.3d 1281, 1295–1296; *Ballard v. Uribe* (1986) 41 Cal.3d 564, 574–575.)

On the record before us, therefore, we cannot conclude that the trial court’s November 2010 order required Azordegan to file periodic partial satisfactions of judgment. That order was contained only in the notice of ruling—not the trial court’s minute order. The purpose of a notice of ruling is to start time for subsequent actions, such as a motion for reconsideration. (Weil & Brown, Cal. Practice Guide: Civil Procedure Before Trial (The Rutter Group 2011) ¶ 9:320.1, pp. 9(I)–121–122.) “In event of any discrepancy between the two, the order is the governing document. Therefore, if an issue arises as to what action was taken by the court, refer to the appropriate formal or minute order (and supply copies thereof if appropriate), *not* to the notice of ruling.” (*Id.* at ¶ 9:320.4a, p. 9(I)-122 (rev. # 1, 2011).)

For this reason, substantial evidence supported the trial court’s September 2011 order. Essentially, by that motion appellant sought enforcement of an order that had

never been issued. At that point, Azordegan was not under a court-ordered obligation to file partial satisfactions of judgment. Moreover, appellant's motion sought Azordegan's acknowledgment of a full satisfaction of judgment, yet there was no evidence that appellant had paid the over \$367,000 due under the judgment.

Nonetheless, at the September 2011 hearing, the trial court did issue an order requiring Azordegan to file partial satisfactions of judgment. Accepting that Azordegan's notice of ruling accurately set forth its prior order, the trial court denied appellant's motion to compel acknowledgment of satisfaction of judgment, but further ruled: "The Court orders that Plaintiffs file the monthly partial acknowledgments of satisfaction of judgment form that should have been filed pursuant to November 1, 2010, and have them served and filed 10/6/11." Taking liberties with his construction of the trial court's order, Azordegan recharacterized the trial court's order in his notice of ruling to provide: "Attorney for Plaintiff/Judgment Creditor is to correct the May 8, 2011 and June 8, 2011 Partial Satisfactions of Judgment that erroneously have the incorrect Judgment Debtors information and serve the Judgment Debtors."

Thereafter, pursuant only to the notice of ruling, Azordegan "corrected" the May and June 2011 partial satisfactions of judgment to show partial satisfaction of the judgment against Carloops in favor of One Source. This prompted appellant to file both an objection to the notice of ruling and a second motion seeking an order compelling Azordegan's compliance with the trial court's previous order. Appellant, however, sought more than compliance: He requested that the trial court enter an order requiring Azordegan to file a partial satisfaction of judgment in the amount of \$131,924.40, which he asserted was the total amount that had been paid pursuant to the assignment of rent and accounts receivable. His motion was not accompanied by any evidence showing that either he or Carloops had paid that amount in satisfaction of judgment. Thus, substantial evidence supported the trial court's November 2011 order denying appellant's second motion, and it must therefore be affirmed. (See *Bi-Rite Meat & Provisions Co. v. City of Hawaiian Gardens Redevelopment Agency* (2007) 156 Cal.App.4th 1419, 1432

[substantial evidence supported determination that there was no good cause to extend the limitations period for displaced meat company's claim for relocation payments, where the company "presented *no* evidence to explain why it took it so long to file the claim for relocation benefits"].)

In addition to denying appellant's motion, the trial court reiterated its September 2011 order, providing in its minute order: "However, Azordegan is ordered to file all the monthly partial Acknowledgment of Satisfaction of Judgment forms that he ought to have filed per the Court's November 1, 2010, and September 27, 2011 [orders] to account for the partial satisfaction of judgment." Consistent with his prior efforts to reconstruct the trial court's actual orders, Azordegan's notice of ruling provided "Motion is denied in all respects." Appellant filed an objection to the notice of ruling.

Our affirmance of the trial court's orders extends to all aspects of those orders, including the requirement that Azordegan file monthly partial satisfactions of judgment which partially release appellant, personally, from his judgment. In the original motion seeking assignment and restraining orders, Azordegan and One Source unambiguously sought to have the rent and accounts receivable payments assigned and credited against the judgment between the individuals. According to the motion, "the current balance due on the judgment is \$369,001.71. This balance, of course, accrues interest at the rate of 10% per annum. Code of Civil Procedure § 685.010(a). Therefore, the Court may order assignment of the right to payment in an amount necessary to pay off the judgment in full, including accrued interest." Counsel's declaration offered in support of the motion likewise provided: "On July 1, 2010 Judgment was entered in the sum of \$360,000.00 in favor of SHAHRAM MARC AZORDEGAN. [¶] No payments whatsoever have been received from ALBERT AGADJANIAN or anyone to be applied to this judgment. There is now due and owing the amount of \$367,001.71 including interest accruing from the date of Entry of Judgment and post judgment costs incurred to date." The declaration continued to explain the need for an order restraining the "judgment debtor" from assigning or disposing of his right to payment in order to avoid the payment of debts,

citing Carloops's previous assignment of its right to accounts receivable. The trial court's order granting the assignment—as well as Azordegan's own proposed order and subsequent notice of ruling—provided that the assignment and restraining orders applied to appellant individually.

Consistent with Azordegan's initial request, the trial court ordered in September 2011 that Azordegan file the partial satisfactions of judgment—referred to as “proper documents” at the hearing—that should have been filed in accordance with the November 2010 order. On the basis of Azordegan's earlier motion, the only proper documents were partial satisfactions of judgment addressed to the approximate \$360,000 judgment entered against appellant. We do not countenance Azordegan's later attempts to revise what would be proper under the trial court's orders by mischaracterizing those orders in his notices of rulings. In September 2011 and again in November 2011, the trial court directed Azordegan to file monthly partial satisfactions of judgment to account for the partial satisfaction provided by the assigned payments. Because the assignment was ordered between Azordegan and appellant, the partial satisfactions of judgment must likewise be between those parties.

DISPOSITION

The trial court's September and November 2011 orders are affirmed and the matter is remanded for Azordegan's compliance with those orders. Parties to bear their own costs on appeal.

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_____, J. *

FERNS

We concur:

_____, P. J.

BOREN

_____, J.

CHAVEZ

* Judge of the Los Angeles Superior Court, assigned by the Chief Justice pursuant to article VI, section 6 of the California Constitution.